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ABSTRACT

A search into the relationship between organizational decline and effectiveness was designed to confirm that two-year colleges are experiencing conditions of decline as perceived by faculty holding positions with two-year colleges. Attempts were made to examine the effects of decline on perceived academic effectiveness and faculty morale. The issue of whether faculty union status is a factor in determining perceived effectiveness was studied. Data for the study were extracted from the 1984 Carnegie Foundation for the Advancement of Teaching national survey, in which faculty were asked to respond to various items regarding feelings about the institution within which they served. Study findings support the contention that the relationship between decline and effectiveness and morale is not consistent across types of colleges and universities. It is suggested that two-year colleges may be added to the list of affected schools. Significant effects were found to occur in both academic effectiveness and morale. Results suggest that college managers must recognize (1) that decline conditions do affect perceived academic effectiveness and faculty morale and (2) that unique strategies need to be employed to blunt the effects of decline conditions in many community colleges. More research needs to focus upon the two-year institutions as unique from their higher education partners. Contains 19 references. (SM)

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THE EFFECTS OF ORGANIZATIONAL DECLINE AND FACULTY UNIONISM ON PERCEIVED EFFECTIVENESS IN TWO-YEAR COLLEGES

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This paper was presented at the annual meeting of the Association for the Study of Higher Education held at the Ritz-Carlton, Buckhead in Atlanta, Georgia, November 2-5, 1989. This paper was reviewed by ASHE and was judged to be of high quality and of interest to others concerned with the research of higher education. It has therefore been selected to be included in the ERIC collection of ASHE conference papers.

Given the general reduction in resources supporting higher education coupled with the decreasing number of traditional freshman, and the forecast for continued conditions which lead to decline, there has been a growing interest in the study of decline and retrenchment (Carnegie Council, 1980; Cameron, 1983). Zammuto (1983a) reported a virtual explosion in the literature as 70% of all organizational decline citations occurred between 1978 and 1983.

Initial studies of institutions suffering enrollment decline tended to treat the phenomena as if afflicting all types of higher education organizations in a similar manner (Mortimer and Tierney, 1979; Bowen and Glenny, 1980). Subsequent studies have begun to identify the phenomena as multidimensional affecting different categories of colleges and universities dissimilarly (Zammuto, 1983b; Smart, 1989). The conditions of decline appear to have a variety of consequences as "the character and impact of enrollment decline appear substantially different both across and within institutional types" (Zammuto, 1983b). For example, private institutions had a higher incident of declining enrollments than did public institutions (Smart, 1989).

The impact of decline was particularly heavy among two-year colleges. This sector of higher education

comprises approximately 1/3 of all higher education institutions with more than 1220 colleges and serves between 1/3 and 1/2 of all college students. In the period from 1973 to 1979 "the increase in two-year schools experiencing enrollment decline accounted for the majority of the overall increase in institutions experiencing enrolment decline..." and 56.8% of all two-year colleges weathered gradual or rapid enrollment decreases (Zammuto, 1983b). Clearly the impact of decline conditions has not been evenly spread across higher education. Two-year colleges and private colleges have taken the brunt.

The implications of decline and retrenchment are currently receiving much attention in the higher education research literature. Almost universally, the studies indicate that the consequences of decline are negative and may extend to the complete failure of an institution. Cameron, Whetten, and Kim (1987) identified and investigated the presence of dysfunctional attributes during periods of decline. Based upon defining decline as "restricted resources and pressures to cut back", twelve "organizational dysfunctions of decline" were gathered from a thorough review of the literature. Using presidents, chief administrators for academic, financial, student, and external affairs and similar others within

the 334 institutions, who Cameron labels as "the internal dominant coalition" (Cameron, 1978), a questionnaire was employed to discover the perceptions held regarding their institutions. The responses from each institution was assigned to one of three categories (declining, stable, growing) and compared. Significant differences in these attributes between declining institutions and growing institutions were found. Cameron and Zammuto (1983) categorized the types of changes forced upon institutions when enduring decline conditions as "erosion", "contraction", "dissolution", or "collapse", all being perceived as holding negative consequences for higher education institutions. Cameron, Kim, and Whetten (1987) investigated the effects of decline and turbulence on 334 institutions of higher education and found significant effects on the behavior of top-management during decline and a differing but also negative set of effects on organizational members (other administrators, not faculty).

The effects of decline on the perceptions held of the effectiveness of an institution have been investigated by Cameron (1986). Using 29 colleges and universities he applied his nine dimensions of organizational effectiveness (Cameron, 1978) to the perceptions held by administrators of their institutions. Results

indicated that enrollment decline had a significant negative relationship to the effectiveness of these colleges and universities in terms of four of the nine categories ("student educational satisfaction," "student career development," "faculty and administrator employment satisfaction," and system openness and community interaction"). Cameron, Whetten, Kim, and Chaffee (1987) further substantiated that institutions with declining or stable resource/revenue were significantly dissimilar from institutions where revenue was increasing. They found that the non-growth establishments evaded planning, had more turnover among leaders, resisted change and generally encountered numerous other negative organizational phenomena.

This study is a further search into the relationship between organization decline and effectiveness. Specifically, the purpose was to confirm that two-year colleges were experiencing conditions of decline as perceived by faculty holding positions with the two-year colleges. Further this study attempts to examine the effects of decline on perceived academic effectiveness and faculty morale. And finally, to discover whether faculty union status would be a factor in determining perceived effectiveness. This study offers four modifications from the studies reviewed above.

The first difference is that the assessment of effectiveness was conducted using the perceptions of faculty rather than the "internal dominant coalition" (administrators and decision-makers) favored by Cameron and others. Cameron acknowledges that the assignment of the assessment role for effectiveness is a matter of opinion and little agreement exists among today's researchers about who should provide the judgement (Cameron, 1978). Smart (1989) argues that the use of faculty is reasonable for two reasons:

> The first reason is that there is abundant evidence that the organizational perceptions of faculty and administrators are typically different... that administrators have a consistently more favorable perception of effectiveness than faculty. The second reason is that "organization-member responses" (defined as faculty) differentiate declining from growing institutions whereas "top-management responses" (e.g. administrators) differentiate institutions experiencing various degrees of turbulence. ...the responsibility for absorbing the costs of <u>decline</u> falls disproportionately on organization members who "bear the brunt of consequences"

In other words, since administrators perceive themselves as carrying dual responsibilities (for the occurrence of decline conditions, and for reacting to them), they may view the circumstances of their environment in terms of "turbulence" rather than decline. Other organizational members' perceptions of the same conditions may differ. Hartnett and Centra (1974) corroborate this view finding

that "...administrators' perceptions of the academic environment were consistently more favorable than those of the faculty and students". Perhaps a more valid picture of the academic environment can be drawn from the reports based upon faculty.

The second difference relates to the method of judging decline. Cameron, Whetten, Kim and Chaffee (1987 page 221) explain that organizational decline can be assessed in three ways. "One way is to use a perceptual measure and simply ask respondents if they think they have experienced decline. A second way is to study enrollment patterns. Third, revenues can identify growth or decline." Enrollment patterns and revenue have largely been the choice by Cameron and his colleagues. This study rests upon perception. Both the independent and dependent variables are the responses by faculty to questions asking for perceptual responses.

A third difference was to investigate the impact of decline upon two-year institutions only. Given the large role played in higher education by "community colleges" and the fact that the studies noted above found significant decline phenomena had occurred, this study attempted to confirm earlier findings and to discover if faculty perceived that their institutions had been subjected to decline conditions.

Last, the relationship between faculty perceptions of effectiveness and faculty unionism was explored. This aspect of the study is particularly appropriate since faculty unions were first organized in two-year colleges in 1965 and, according to Cameron (1982), "relatively little is still known about the impact of unionism on professionalism, institutional autonomy, and other 'cherished academic values'". Ponak and Thompson (1979) concur, writing that "a decade after the advent of faculty unionism in North America, its impact on university life is still unclear".

Cameron (1982) sought to better define the relationship in spite of two difficulties: "effectiveness" is difficult to define and; it has multiple dimensions. He surveyed 41 4-year schools and on each of his nine dimensions of organizational effectiveness (Cameron, 1978) mean scores for union and nonunion institutions were compared to determine if significant differences existed. Three of the nine dimensions reflected statistically significant differences: student academic development, professional development and quality of faculty, and ability to acquire resources.

> These three dimensions have been found to relate to the academic or scholarly domain of an institution (Cameron, 1981), and these results show that it is in the academic domain that effectiveness of unionized schools differs most from effectiveness of the non-

> unionized schools. That is, unionized institutions are significantly less effective than are nonunionized institutions in the degree to which students and faculty develop academically and professionally and the degree to which the institution provides opportunities for development in these areas (Cameron, 1982, page 13).

This study attempts to confirm Cameron's findings asking: does union affiliation affect faculty perception of institutional effectiveness?

RESEARCH PROCEDURES

Sample

The perceptions of faculty on decline and effectiveness, the data for this study, were extracted from the Carnegie Foundation for the Advancement of Teaching national survey conducted and published in 1984. The random sample design was stratified with institutions being selected first, and then faculty being selected as the second stratification. 190 institutions agreed to participate of which 35 were two-year colleges. 9,968 surveys were distributed, of which 5,057 (50.7%) were returned. Included were 743 received from the faculty at two-year institutions, of which 524 (71%) identified themselves as belonging to some type of "union" organization.

Data and Variables

In the 1984 Carnegie Foundation Survey faculty were asked to respond to a variety of items reflective of their feelings and perceptions regarding the institution within which each served. The survey contained an item (Number 32-16) that reflected perceptions of the severity of revenue difficulties being faced by their institutions. Faculty were asked to "strongly agree, agree with reservations, disagree with reservations, or strongly disagree with the statement "This institution has serious financial problems". This item became the first independent variable called the measure of organizational decline. The responses are found in Table 1.

Table 1: Distribution of Two-year Colleges on Decline Categories

Response	Number	%	Decline Status
strongly agree	164	22.5	(serious decline)
agree w/ reserv	149	20.4	(moderate decline)
disagree w/ reserv	234	32.1	(healthy status)
strongly disagree	182	25.0	(prosperous status)

To determine the union status of each respondent an item was used whereby the faculty member was asked "Are you a member of any of the following organizations?" (Question 18). Those indicating that they were members of one or more of five collective bargaining organizations ("American Federation of Teachers, National Education Association affiliate, local or state

association or union of college teachers, an association limited to teachers at your institution...") were identified as union members while those who chose none of the organizations listed were labeled nonunion. 524 respondents circled one or more of the five union choices while 197 were distinguished as nonunion. This constituted the second independent variable.

Cameron's work on effectiveness (1978) led to his identifying nine dimensions of effectiveness. These were used to subsequently create four "domains" by which colleges and universities could be judged for effectiveness (Cameron 1981). They are: external adaptation domain (comprising student career development, system openness, and community interaction), the morale domain (comprising student educational satisfaction, faculty and administrator employment satisfaction, and organizational health), the academic domain (including student academic development, professional development and quality of faculty, and ability to acquire resources), and the extracurricular domain (student personal development). Later research using the domains found that institutions in decline were low in both the academic and morale domains (Cameron, 1983). The first dependent variable, "academic effectiveness" was created by standardizing

the responses to an item that asked faculty to assess (five step ranking: poor, somewhat less than adequate, adequate, somewhat better than adequate, excellent) the performance of their institutions in meeting five typical objectives found in higher education institutions (Question 45: Please rate the performance of your institution in the following activities. (1) Providing students with a general education; (2) preparing students for a vocation; (3) providing opportunities to explore personal interests through electives; (4) providing opportunities for students to express themselves through the arts; (5) teaching values). These responses, argumentatively, appear to be very similar to Cameron's academic domain and became the first dependent variable.

The second dependent variable, faculty morale, appears to be quite close to the Cameron morale domain. It was created by combining the standardized responses from two general items. Question 27 asked directly "in general, how do you feel about this institution?" Response categories were (1) "it is a very good place for me, (2) it is fairly good for me, and (3) it is not the place for me". Question 47 asked "how would you rate each of the following (scale was excellent, good, fair, poor): (1) the intellectual environment, (2)

faculty salary levels, (3) teaching load, (4) ratio of teaching faculty to students, and (5) the administration".

Analyses

A 4 x 2 multivariate analysis of variance (MANOVA) was used to analyze the data. The independent variables in the analysis were ORGANIZATIONAL DECLINE (prosperous, healthy, moderate, and serious) and FACULTY UNION STATUS (belong to a union or nonunion). The dependent variables were faculty perceptions of "academic effectiveness" and faculty morale.

RESULTS

The MANOVA results (see table 2) show that only one

Table 2
Multivariate Analysis of Variance Results
for Organization Decline and Union/Nonunion Status

MANOVA Source	d.f.	F	p
Organizational decline	6, 1426	12.14	.001
Union status	2, 712	2.36	ns
Decline x Union status	6, 1426	0.51	ns

of the main effects (decline) was statistically significant. The multivariate F-ratios for the union/nonunion independent variable and the interaction term were not significant.

Inspection of the univariate F-rations in Table 3 indicates that the decline status of the organization

Table 3
Univariate F-ratios for Decline and Union Status on Academic Effectiveness and Faculty Morale

	Academic Effect.		Morale	
Organ. Decline	4.33	**	22.30	***
Union Status	.016	ns	3.54	ns
Decline x Union	.232	ns	.490	ns

** p = < .01
*** p = < .001

appears to have a greater impact on faculty morale (F = 22.30, p = < .001)) than upon perceived academic effectiveness (F = 4.33, p = < .01).

Tables 4 and 5 indicate that differences exist across the four decline categories (prosperous, healthy, moderate decline, and severe decline) to differing

Table 4
Decline Between-Group Differences on the Academic Effectiveness Domain

	Prosper	Healthy	Moderate Decline
Prosperous			
Healthy			
Moderate Decline	**		
Severe Decline	*		

* p = < .05
** p = < .01

Table 5
Decline Between-Group Differences
on the Morale Domain

	Prosper	Healthy	Moderate Decline
Prosperous			
Healthy	*		
Moderate Decline	**		
Severe Decline	***	***	***

* p = < .05
** p = < .01
*** p = < .001

degrees on each of the dependent variables. The moderate and severe decline categories were different from the prosperous category on the academic effectiveness domain. On the faculty morale domain much more significant differences are found. The severe decline group differed from all other groups at the p = <.001 alpha level. Both the healthy and moderate decline groups also differed significantly from the prosperous group.

----- DISCUSSION -----

This study investigated the faculty's perceived affects of decline and/or union status on academic effectiveness and faculty morale within two-year colleges. Results indicate that at institutions where faculty perceive decline conditions (as defined by a response that their institution has serious financial problems) there is a companion response indicating a

perception that academic effectiveness and faculty morale is lower. However, the union or nonunion status of the two-year institution did not reflect in a difference in either of the dependent variables. Additionally, there was no interaction between the independent variables. This section will first discuss the union/nonunion implications and conclude with a consideration of the implications of decline.

The Effects of Unionism

As noted earlier, unions entered higher education through the two-year college door and they have continued to play a large role in the governance of these institutions. "Regional public colleges and universities, and community colleges, are both highly over represented among institutions engaged in collective gaining" (Birnbaum, 1981). Apparently many schools operate within a union environment but, as Cameron (1982) notes "unfortunately, information about the effects of faculty unionism on organizational level factors has not been pursued as vigorously as has information concerning individual level factors". Adding to this lack-of-research problem is an additional factor: much less study of the organization has focused upon two-year colleges and almost nothing is found on the affect of unionism on organizational effectiveness.

These conditions certainly suggest a void in higher education management research.

Certainly the existence of a faculty union upon a campus changes that campus. Birnbaum (1981) has demonstrated that unions do change institutions by "introducing new structures, relationships, and decision-making processes". In some schools it "has had a profound impact upon campus interactions, leading to the abandonment of traditional faculty senates, the impoverishment of communication systems, and the establishment of adversarial relationships moving... toward conflict" (Birnbaum, 1980). Cameron (1982) concluded that union status did affect (among others) the academic effectiveness domain and the faculty morale domain. Study after study documents the impact that unionization has had on traditional higher educational four year institutions. This study however, found no such relationship to exist at two-year institutions. On the assumption that there is methodological validity within the questions asked in the Carnegie study that relate to a relationship between unionism and both academic effectiveness and morale, why do community colleges differ from the other higher education schools? Why is effectiveness and morale unaffected by unionism?

Cameron (1982) hypothesized that, within four year

institutions on the morale domain, the length of time that the union has been involved in campus governance had an impact on faculty morale. Newly unionized schools show the lowest morale but older union schools show an increase in morale. It is possible that, since unions have a long history in two-year colleges, that they have had time to become fully integrated within the organization and are no longer reflective of the state of faculty morale, and therefore would not register any significance in this study. Cameron (1982) found that the lowest morale state was at the time of unionization which forces the question: do unions originate because of low morale, or do unions themselves cause the morale state? One could envision a causal model that would suggest that: decline conditions cause lowered faculty morale, which causes unionization, which results in higher morale, which in turn suggests the lack of a continued need for the union. Unionization, conceivably, could be a management remedy for the faculty morale problem. Of course, the other significant costs of unionization to management make the usefulness of this strategy doubtful. These questions certainly suggest areas open to further inquiry. Are community colleges more like school systems than universities and therefore less affected by unions since

a history of unionism exists along with expected outcomes? Are two-year colleges insufficient in self-concept to the degree that, unlike universities which know what they are and what they do and resist changing, two-year colleges can absorb radical organizational change with little after-effect? Certainly, longitudinal studies of the effects of unionism on two-year colleges would be useful.

The Effects of Decline

The findings of the present study clearly supports the contention (Smart, 1989) that the relationship between decline, and effectiveness and morale is not consistent across types of colleges and universities. While it was shown that Research Universities and Comprehensive Colleges had no perceived differences in effectiveness in the academic domain, Liberal Arts Colleges did reflect a difference. This research suggests that two-year colleges may be added to the list of affected schools. Significant effects were found to occur in both the domains of academic effectiveness and morale. Morale was impacted at the $p = < .001$ alpha level of significance. All groups (healthy, moderate decline and severe decline) were significantly different from the prosperous group on morale.

The implications for managers in two-year colleges

are to recognize that decline conditions do affect perceived academic effectiveness and faculty morale and that unique strategies need to be employed to blunt the effects of decline conditions since many community colleges are likely to be affected. Community and two-year colleges are not likely to be able to create cash buffers since they are generally public institutions with close relationships to their local communities. They are generally funded at "levels of need" and seldom have "money in the bank" in terms of endowments or special funds that may be used to assist them through decline times. Other strategies may be more useful to deal with decline and minimize the positions of vulnerability. For example, increasing the number of part-time instructors might be such a device. It would allow administrators to enlarge or diminish their teaching cadre without having to fire full-time instructors which may lead to organizational trauma.

Would not a change in morale also be expected from any institution involved in change, since the change literature generally supports the contention that modifications imply human resource resistance? Certainly an area for inquiry is to return to institutions which have survived decline and examine the morale domain once stability has occurred following a

period of diminishment.

Attention to the real effects of decline conditions needs to focus upon the substantive changes that occur on the academic domain as measured by affect on student learning outcomes. Faculty perceptions may have a cause-effect relationship to teaching behavior but that needs investigation. Additionally, the implications for managers in colleges and universities where decline conditions are occurring needs further study. Cameron and Zammuto (1983) have shown that unique management tactics and strategies are useful for colleges going through different decline circumstances. At the least more research needs to focus upon the two-year institutions as unique from their higher education partners.

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